

2210-K

42A740-S1

Commonwealth of Kentucky
DEPARTMENT OF REVENUEUNDERPAYMENT OF ESTIMATED TAX
BY INDIVIDUALS

2005

► Attach to Form 740 or 740-NP.

Enter name(s) as shown on page 1, Form 740 or 740-NP.

Your Social Security Number

PART I—EXCEPTIONS AND EXCLUSIONS

The penalty may be waived if, *and only if*, one of the following conditions is met. If one or more of the following applies to you, check the appropriate block(s), complete any necessary blank(s) and check the "Form 2210-K attached" block on Form 740, line 41a (Form 740-NP, line 41a). **If none of the exceptions apply, go to Part II.**

Check applicable block(s).

1. ☐ The taxpayer died during the taxable year.
2. ☐ Two-thirds ($\frac{2}{3}$) or more of the gross income was from farming; this return is being filed on or before March 1, 2006; *and* the total tax due is being paid in full. Fiscal year taxpayers must file a return and pay the tax due on or before the first day of the third month following the close of the tax year.

- a. Enter total gross income
- b. Multiply by $\frac{2}{3}$ (.67)
- c. Enter gross income from farming

Line (c) must **equal or exceed** line (b) to qualify for the exception.

3. ☐ Prepaid tax **equals or exceeds** last year's income tax liability.

- a. Enter the liability from the 2004 return, *Form 740*, line 22;
Form 740-NP, line 18
- b. Enter amount from the 2005 *Form 740*, line 31 (*Form 740-NP*, page 2, line 31)*

Line (b) must **equal or exceed** line (a) to claim the exception.PART II—FIGURING THE UNDERPAYMENT AND PENALTY (Complete only if the **additional** tax due exceeds \$500)

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|---|----|------|--|
| 1. a. Enter 2005 income tax liability from Form 740, line 26 (Form 740-NP, page 1, line 26) ... | 1a | | |
| b. Enter credit for taxes paid to another state from Form 740, Section A, line 4 (Form 740-NP, Section A, line 4) | 1b | | |
| c. Total (add lines 1a and 1b) | 1c | | |
| 2. Percentage of liability required to be prepaid is 70% | 2 | x .7 | |
| 3. Multiply line 1c by line 2 | 3 | | |
| 4. a. Enter the amount from Form 740, line 31 (Form 740-NP, page 2, line 31)* | 4a | | |
| b. Enter credit for taxes paid to another state from Form 740, Section A, line 4 (Form 740-NP, Section A, line 4) | 4b | | |
| c. Total (add lines 4a and 4b) | 4c | | |
| 5. Subtract line 4c from line 3 (If line 4c exceeds line 3, no penalty applies.) | 5 | | |
| 6. Penalty percentage is 10% | 6 | x .1 | |
| 7. Multiply line 5 by line 6. This is the amount of the penalty for underpayment of estimated tax (minimum penalty \$25) | 7 | | |

Form 740—Enter this amount on Form 740, line 41a, and check the "Form 2210-K attached" box.**Form 740-NP**—Enter this amount on Form 740-NP, line 41a, and check the "Form 2210-K attached" box.

To avoid underpayment penalty in the future, obtain and file Form 740-ES.

*Do not include amounts prepaid with extension after the due date of the fourth declaration installment.